

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 09261 050931Z

12

ACTION EUR-25

INFO OCT-01 IO-14 ISO-00 FEA-02 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 EB-11 FRB-02 H-03 INR-10 INT-08 L-03

LAB-06 NSAE-00 NSC-07 PA-04 RSC-01 AID-20 CIEP-02

SS-20 STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SP-03

OMB-01 SWF-02 DRC-01 /194 W
----- 016868

R 050908Z JUL 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC 5751

INFO USMISSION EC BRUSSELS

USMISSION GENEVA

LIMITED OFFICIAL USE ROME 9261

E.O. 11652: N/A

TAGS: ETRD, EEC, GATT, IT

SUBJECT: ITALIAN IMPORT DEPOSIT REQUIREMENT

REF: A. EC BRUSSELS 4849; B. ROME 8931

1. WE HAD OPPORTUNITY REVIEW STATUS IMPORT DEPOSIT REQUIREMENT WITH FRACASSI, DIRECTOR GENERAL TRADE AGREEMENTS IN MINISTRY FOREIGN TRADE, ON JULY 4. HE MADE FOLLOWING OBSERVATIONS:
A. EFFECT THUS FAR HAS BEEN PURELY MONETARY. IMPORT DEPOSITS FOR MAY AND JUNE TOTALED L900 BILLION (\$1.4 BILLION AT L647 EQUALS \$1.00) WHILE IMPORTS OF PRODUCTS AFFECTED INCREASED 12 PERCENT OVER 1973. FRACASSI COMMENTED THAT MUCH OF THE TOTAL WAS IN TRANSIT OR PREVIOUSLY ORDERED, AND JUDGES THAT TRADE EFFECTS WILL NOT BE CLEAR UNTIL SEPTEMBER. MEAT IMPORTS SO FAR TOTALLY UNAFFECTED.
B. A TECHNICAL REVIEW TO CORRECT THE MANY ERRORS IN THE LIST IS UNDERWAY AND MODIFICATIONS WILL BE ANNOUNCED IN LATTER PART OF JULY. ALL OVER IMPACT OF IMPORT REQUIREMENT IS TO BE LITTLE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 09261 050931Z

CHANGED. REDUCTION TO 25 PERCENT ON MEAT AND OTHER AGRICUL-

TURAL PRODUCTS WILL BE EFFECTIVE AUGUST 1.

2. CONFIRMING PARA 1 REF A, FRACASSI DESCRIBED AT SOME LENGTH PULLING AND TUGGING WHICH HAS BEEN GOING ON WITHIN GOI. SPEAKING PERSONALLY, HE BELIEVES THAT HANDLING OF DEPOSIT REQUIREMENT HAS BEEN INEPT. ON ONE HAND, MACROECONOMIC APPROACH OF BANK OF ITALY AND TREASURY IGNORES UNEQUAL DISTRIBUTION OF BURDEN OF MEASURE AND SACRIFICES INTERESTS OF SOME INNOCENT PARTIES. ON OTHER, IT IS INEFFECTIVE IN KEEPING OUT INESSENTIALS (E.G. MEAT) AND IS AFFECTING SOME INDUSTRIAL NECESSITIES.

3. FRACASSI AGREED THAT THERE ARE NO PROSPECTS FOR LIFTING DESPOSIT REQUIREMENT IN FORESEEABLE FUTURE. VOLPE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE DISCRIMINATION, PERSONAL OPINION, DIPLOMATIC DISCUSSIONS, IMPORT CONTROLS, LEVIES, MEATS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ROME09261
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740178-0504
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740772/aaaacjya.tel
Line Count: 74
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A. EC BRUSSELS 4849; B. ROME 8931
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 03 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 APR 2002 by worrelsw>; APPROVED <19 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ITALIAN IMPORT DEPOSIT REQUIREMENT
TAGS: ETRD, IT, EEC, GATT, (FRACASSI)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005